BEFORE THE STATE OF WASHINGTON

ENERGY FACILITY SITE EVALUATION COUNCIL

IN RE APPLICATION NO. 96-1 OLYMPIC PIPE LINE COMPANY: CROSS CASCADE PIPELINE PROJECT	EXHIBIT ____

APPLICANT'S PREFILED DIRECT TESTIMONY

WITNESS # 4: KATY CHANEY

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Q. Please introduce yourself to the Council.

A. My name is Katy Chaney. I am Manager of Pacific Northwest Environmental Services at Dames & Moore in Seattle. I have been with Dames & Moore since 1989, where I was a Senior Project Manager and Unit Leader for Land Use and General Planning before being promoted to my current position. As Manager of Pacific Northwest Environmental Services, I manage environmental permitting efforts, environmental assessments, environmental impact statements, land use, energy and natural resource compliance evaluations, air quality, noise, planning and siting studies, and assistance with land use, shoreline and construction permits.

Prior to joining Dames & Moore, I was Director of the Land Use division of the City of Seattle's Department of Construction and Land Use. My educational and professional background is described in greater detail on my resume, which is attached as Exhibit A.

Q. What is the subject of your testimony?

A. My direct testimony is intended to address the following subjects:

First, I will briefly describe Dames & Moore and its experience with environmental assessments and energy facility siting proceedings.

Second, I will explain Dames & Moore's involvement in the Cross Cascade Pipeline Project.

Third, I will discuss the environmental impacts expected to occur as a result of the Cross Cascade Pipeline Project and what measures have been proposed to mitigate those impacts. Given the wide range of environmental issues raised by Olympic's Application, I will necessarily speak to those issues in somewhat general terms.

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Q. What sort of business is Dames and Moore?

A. Dames & Moore was founded in 1938 as a geotechnical consulting firm. Today, the Dames and Moore Group consists of thirteen separately held companies that provide general engineering and consulting, transportation, process/chemical engineering, construction services, and specialty engineering and consulting services. The Dames & Moore Group companies and their subsidiaries have 233 offices in 29 countries, staffed by over 8,000 employees. Dames and Moore, the company under which I am employed, is one of the Dames & Moore Group companies, and specializes in facility siting investigations, environmental baseline and impact assessments, environmental studies, engineering, and applied earth sciences. Dames & Moore has served more than 35,000 clients, including federal, state and local governments as well as eighty percent of the leading corporations in the United States.

Q. Describe Dames & Moore's experience with pipeline projects?

A. Dames & Moore has worked on numerous pipeline projects in the United States, providing environmental and engineering services in connection with corridor siting, environmental planning and impact assessment, development of mitigation measures, permitting and construction.

Q. What is Dames and Moore's experience with EFSEC applications?

A. Dames and Moore has prepared four other EFSEC applications: (1) Application 94-1 for the Satsop Combustion Turbine Project; (2) Application 94-2 for the Chehalis Generation Facility; (3) Application 93-1 for the Cowlitz Cogeneration Project; and (4) Application 92-1 for the Trans Mountain Pipeline. The first three projects have been approved by the Governor of the

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State of Washington. The applicant for the fourth project, Trans Mountain, ultimately decided not to file an application.

Q. What was your role in the previous four applications?

A. I served as Dames and Moore's Project Manager for all four applications. In that capacity, I have had primary responsibility for drafting the applications and supervising the team of engineers and other technical experts who performed the environmental analysis. I worked with local jurisdictions to resolve issues involving land use consistency, and worked with state and local government agencies to reach stipulated agreements resolving environmental concerns. I also provided testimony to EFSEC in connection with the three applications that proceeded to adjudicatory hearings.

Q. Describe Dames and Moore's involvement in the Cross Cascade Pipeline Project.

A. In mid-1995, Dames and Moore was retained to prepare the Application for Site Certification for the Cross Cascade Pipeline Project, which Olympic originally filed with the Council in February 1996. Dames and Moore also prepared the revised Application, which Olympic filed in May 1998. The revised Application incorporated updated information that had been submitted to EFSEC in separate technical reports previously. Exhibit _____ is a true and correct copy of the revised Application. I will simply refer to the revised Application in my testimony as "the Application."

The project is the construction and operation of a 231-mile 14"/12" diameter pipeline to transport refined petroleum products from the refineries located in northwest Washington to markets in central and eastern Washington. The pipeline will be located underground except where existing

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bridges are used for stream crossings. The project also includes 5 pump stations, a distribution terminal and pump station located on 30 acres near Kittitas, and approximately 29 block valves.

Dames and Moore conducted field work and studies on geology and soils, water resources, air quality, vegetation, wetlands, wildlife and wildlife habitat, aquatic resources, noise, land use, socioeconomics, transportation, public services, recreation, historical and cultural resources, and visual resources. As of August 19, 1998, Dames and Moore has spent over 33,800 hours in gathering data, working in the field, preparing the Application, and meeting with local, state and federal agencies. Wetland biologists and other scientists have walked the entire pipeline corridor, and archeologists and cultural resource specialists have surveyed approximately 97% of the corridor.

The project team from Dames and Moore included Conrad Felice, Roy Elliott, Mark Molinari, Richard Langendoen, David Bjerklie, David Every, John Heal, Robert Nielsen, Linda Krippner, Lisa Graham, John Lague, Kenneth Winnick, Michael Kelly, Robert Mott, and myself. Resumes of the team members are attached as Exhibit B. These individuals will be available to provide more detailed testimony regarding specific issues should the need arise.

Dames and Moore also engaged two subcontractors in connection with this project: Historical Research Associates, which assisted with the cultural and historical survey of the route, and H.W. Lochner, Inc., which performed traffic and transportation analysis.

Q. Describe the environmental impacts of the proposed pipeline.

A. The proposed route of the pipeline was selected in order to minimize adverse environmental impacts. By following existing utility or roadway corridors for over seventy percent (70%) of the

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route, the pipeline minimizes environmental disturbance. Although it is not possible to cross the state of Washington from west to east without crossing streams and wetlands, the route avoids crossing wetlands where possible and avoids most sensitive habitat. Olympic also proposes to time the construction of the pipeline to avoid spawning and rearing periods.

No known federally listed threatened or endangered plant species occur within the proposed 60-foot construction corridor. No portion of the corridor is considered to have high-quality native plant communities. Much of the proposed pipeline route utilizes already disturbed rights-of-way that are maintained for electrical transmission lines or forest roadways, areas that have been previously cleared of timber, or areas disturbed by grazing or off-road vehicle use. The proposed corridor contains no bald eagle nests, no habitat suitable for the northern spotted owl nesting, and no known marbled murrelet nest sites.

The proposed 231-mile route will cause temporary impacts to less than 16 acres of wetlands. Plant communities in virtually all of those wetlands have already been altered by tree removal and/or agricultural practices. The proposed route avoids 685 acres of wetlands found within the construction corridor through careful siting and narrowing the planned 60-foot construction corridor to 30 feet in wetland areas. No wetlands will be permanently filled or lost. Olympic will restore all impacted wetlands following construction, and will enhance an additional 14 acres of wetlands to mitigate for temporary losses.

The proposed route will cross 154 streams or rivers and 61 drainage ditches or irrigation canals. Many of the streams are small and intermittent, and some streams are already located in culverts that the pipeline would cross over or under without disturbing the stream flow. The pipeline will be located a minimum of two feet below the scour depth of stream channels to prevent exposure

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of the pipeline. The pipeline will cross the Columbia River through the use of a horizontal directional drill at least 30 feet below the river bed, downstream of Wanapum Dam. This method will avoid disturbing the river bed.

Part 3.4 of the Application provides a detailed analysis of the pipeline's impacts on local plants and animals. Due to the extensive use of existing corridors and to locating the pipeline route near existing roadways, impacts to vegetation and wildlife have been greatly minimized.

Q. Does the project require any new water rights?

A. No. Other than minor amounts of water used for dust control during construction and for the restroom facilities operation at the Kittitas Terminal, the project will need water for two purposes: hydrostatically testing the entire pipeline before it goes into operation, and backup water source for fire protection at the Kittitas Terminal. During the hydrostatic testing of the pipeline, approximately 1.5 million gallons of water will be used. Water for hydrostatic testing will be obtained from the either the Snohomish River or Alderwood Water District, the City of North Bend, the Cascade Irrigation Canal, and the Wahluke Branch Canal. The volume of water required will be sufficiently low to have little or no effect on those water supplies. Water for fire protection at the Kittitas Terminal will either be purchased from the City of Kittitas, or obtained from the Kittitas Reclamation District.

Q. The pipeline route, given that it crosses the Cascade Mountain range, will traverse steep slopes. What will be done to protect the pipeline from slope failures or erosion?

A. The majority of the pipeline route is located in existing corridors where the soils and topography have been previously disturbed. Even though the pipeline crosses steep terrain, no increase in slope failure is expected. This is primarily due to the fact that a pipeline requires minimal intrusion,

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limited to about 4 to 6 feet of depth. The pipeline will not cross any mapped active earthquake faults. There are two active earthquake faults near the pipeline route, one near the Yakima River crossing and one in the Saddle Mountains, but the pipeline route is far enough from these faults that their presence poses minimal concern. Parts 2.15 and 3.1 of the Application provide information of the geology encountered along the pipeline route, and mitigation measures included in the design to protect the pipeline.

Q. What about air quality impacts?

A. The largest source of impacts will be at the Kittitas Terminal. Total emissions of volatile organic compounds (VOCs) from the storage tanks and all other sources are estimated at 15.54 tons per year. EPA's and Department of Ecology's threshold for defining a "major source" is 100 tons per year, so this amount is substantially below the state and federal threshold. In comparison, the Portland-based *Cascadia Times* reported that a single barge loading on the Columbia River on a hot day may release more than 5 tons of VOCs into the air in one day. Air quality emissions are summarized in Part 3.2 of the Application, and a complete application for Notice of Construction is included as Part 6.1.

Q. Will the City of Kittitas or Kittitas County need to provide special services to the terminal?

A. No. Emergency response, should it ever be required, will be provided by Olympic. Local police and fire may be called upon to assist in controlling unauthorized access.

Q. Will the pipeline affect land uses along the route?

A. The impacts on land uses would be negligible or minor, as described in Part 5.1 of the Application. The pipeline will be located below ground except on some bridge crossings so it will not be visible. Much of the route is located within or immediately adjacent to existing utility

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or roadway corridors, or it is located in undeveloped areas. Where the pipeline extends through developed areas, such as the cities of Snoqualmie and North Bend, the pipeline will be located under the Cedar Falls and John Wayne Trails so new corridors will not be created. Impacts to agriculture will also be temporary. The pipeline has been routed to avoid all agricultural areas containing vineyards, orchards or asparagus fields, which would take more than one season to replace, and will be located at a sufficient depth to allow seasonal cropping to occur over the top of the pipeline.

Q. You testified that the pipeline will be located in existing trails along the route. What will be the impacts on recreational users of those trails?

A. Recreational users will have some short term impacts where they may need to detour around trail areas that are temporarily closed for construction. We have been working with King County Parks and Recreation to develop signage and detour routing to alert users of the Cedar Falls Trail of the potential closure periods and to clearly mark detour routes. The pipeline will also be located under the John Wayne Trail, which goes through the abandoned railroad tunnel at Snoqualmie Pass. The pipeline will be buried in the tunnel floor and construction activities will cause some temporary closure of the tunnel. Olympic has proposed to provide temporary transportation around the tunnel to trail users during the construction period. Impacts to recreational users are described in greater detail in Part 5.3 of the Application.

Q. Will the pipeline affect any identified archeological or cultural resource sites?

A. Approximately 97 percent of the route, or almost 225 miles, has been surveyed. The survey was performed by professional archeologists or cultural resource specialists, and consisted of walking an approximately 200-foot wide corridor centered on the proposed pipeline centerline. The only areas that were not surveyed were areas that either were under water, under dense

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vegetation such as blackberries, or on lands where landowner permission for survey work could not be obtained. The route does not cross any archeological or cultural resource sites that have been listed on local, state or federal registers. The surveyors found some potential sites, and all but four have been avoided by rerouting the pipeline. The remaining sites include some old timbers on a bridge, a telegraph pole, and a lithic scatter site. We are working with state and federal archeologists to develop mitigation measures and a programmatic agreement to cover any sites which are found during construction. These issues are discussed in greater detail in Part 5.1 of the Application.

Q. Will the project provide economic benefits to the state and local communities?

A. Yes. During construction there will be temporary increases in jobs, personal incomes, and sales taxes from the purchase of goods and materials. It has been estimated that approximately $58 million in direct and indirect income may accrue during construction. Olympic, as pipeline owner, will also pay annual property taxes in each of the six counties that the pipeline crosses. These property taxes are estimated to be over $300,000 per year, with over half of that amount going to Kittitas County. Further detail regarding the estimates of taxes and income are included in Part 8.1 of the Application.

END OF DIRECT TESTIMONY

I declare under penalty of perjury that the above testimony is true and correct to the best of my knowledge. Executed this _____ day of August, 1998.

_____
Katy Chaney

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